

CALCULATION OF INTEREST AND COMPENSATION

If a sending Participant and beneficiary Participant are unable to comply with the rules pertaining to execution of transfer instructions placed by a Participant customer through the BI-RTGS System, the sending Participant and/or beneficiary Participant bear responsibility for payment of interest and compensation to the customer under the provisions of Circular Letter No. 10/10/DASP dated 5 March 2008 concerning Transaction Processing in the Bank Indonesia Real Time Gross Settlement System (BI-RTGS System) as concerns Protection for Customers of BI-RTGS System Participant(Circular Letter No. 10/10/DASP). In this regard, the procedure for calculation of interest and compensation is as follows:

A. Payment of Interest for Delayed Sending of Transfer Instructions

1. If the sending Participant fails to execute the transfer instructions of his customer according to letter C in Circular Letter No. 10/10/DASP and the sending Participant has debited the customer account, the sending customer is entitled to interest as appropriate to the type of account held by that customer commencing from the date of debiting the sending customer account to the date of execution of the transfer instructions.
2. An example of the above interest calculation is as follows:
 - a. The sending Participant receives a transfer instruction from a customer during the customer service hours for BI-RTGS System transfers as determined by the Participant and the sending customer account is debited on the same date as the transfer instructions are

received, but the transfer instructions are forwarded on a different date.

For example:

The Participant receives the transfer instructions from the customer on at 10:00 hours on Monday, 25 February 2008. After this, the sending Participant forwards the transfer instructions through the BI-RTGS System, but without Settlement at end of day. On the next working day, Tuesday 26 February 2008, the transfer instructions are forwarded again through the BI-RTGS System and Settlement takes place at 08:45 hours. For the forwarding of the transfer instructions under this mechanism, the sending customer is entitled to interest for 1 (one) day as appropriate to the type of account held by the sending customer.

- b. The sending Participant receives a transfer instruction from a customer after the customer service hours for BI-RTGS System transfers as determined by the Participant and the sending customer account is debited on the same date as the transfer instructions are received, but the transfer instructions are forwarded on the next working day.

For example:

The Participant receives the transfer instructions at 15:30 hours on Monday, 25 February 2008, while the customer service hours for

BI-RTGS System transactions as determined by the Participant end at 15:00 hours. On the next working day, Tuesday 26 February 2008, the transfer instructions are forwarded through the BI-RTGS System and Settlement is performed at 08:45 hours. If while forwarding the transfer instructions, the sending Participant is unable to apply the same value date as the date of receipt of the transfer instructions from the sending customer, the sending customer is entitled to interest for 1 (one) day as appropriate to the type of account held by that customer.

B. Payment of Interest for Delayed Issue of New Transfer Instructions

1. If a sending Participant issues new transfer instructions as referred to in letter D of Circular Letter No. 10/10/DASP by reason of error by the sending Participant in executing the transfer instructions, the sending customer is entitled to interest at the prevailing rate appropriate to the type of account held by that customer and debited for the transfer, commencing from the date of debiting the sending customer account to the date of execution of the new transfer instructions
2. An example of this interest calculation is as follows:
 - a. A transfer error is identified no later than 30 (thirty) minutes prior to the end of the window time for the particular type of transaction.

For example:

The transfer instructions are received by the sending Participant from the customer on Monday, 25 February 2008. On the same

day, the customer account is debited. The sending Participant becomes informed of the transfer error at 14:00 hours on Tuesday, 26 February 2008. On the same day, i.e. Tuesday, 26 February 2008, the sending Participant sends new transfer instructions at 16:00 hours and the transaction is processed in Settlement. In respect of the sending of the new transfer instructions, the sending customer is entitled to interest calculated from the date of the debit against the customer account to the Settlement date, i.e. 1 (one) day.

- b. A transfer error is identified within the 30 (thirty) minute period prior to the end of the window time for the particular type of transaction, or after that time.

For example:

The transfer instructions are received from the customer of the sending Participant on Monday, 25 February 2008, and on the same day, the customer account is debited. The sending Participant becomes informed of the error in transfer at 16:15 hours on the same day, i.e. Monday, 25 February 2008. On the next day, i.e. Tuesday, 26 February 2008, the sending Participant sends new transfer instructions at 08:45 hours and the transaction is processed in Settlement. In respect of the sending of the new transfer instructions, the sending customer is entitled to interest calculated

from the date of debit from the customer account to the Settlement date, i.e. 1 (one) day.

C. Compensation Payable by Beneficiary Participant to Funds Beneficiary for Delay in Crediting Funds

1. A transfer is received before the end of the settlement deadline for transfers in favour of customers but cannot be credited to the beneficiary customer account on the same value date as the date of crediting the Settlement Account of the beneficiary Participant at Bank Indonesia.

a. The Participant credits the funds on the subsequent working day, but the beneficiary Participant's internal system does not permit the Participant to apply the same value date as the date of crediting the Settlement Account of the beneficiary Participant.

For example:

The Settlement Account of the beneficiary Participant is credited with funds at 14:00 hours on Monday, 25 February 2008. As a result of lack of an integrated information technology system at the beneficiary Participant, the funds are credited to the beneficiary customer on Tuesday, 26 February 2008. Due to the limitations of the beneficiary Participants internal system, the beneficiary participant credits the funds applying a value day of 26 February 2008. In this case, the beneficiary customer is entitled to interest as appropriate to the type of account held by that customer for 1 (one) day.

- b. Crediting to account of the beneficiary customer more than 1 (one) working day after date of crediting the Settlement Account of beneficiary Participant at Bank Indonesia, for any reason

For example:

The Settlement Account of a beneficiary Participant at Bank Indonesia is credited at 14:00 hours on Monday, 25 February 2008, but the beneficiary Participant does not credit the beneficiary customer account until Wednesday, 27 February 2008. In this case, the beneficiary customer is entitled to interest and compensation as follows:

$2 \text{ days} \times (\text{customer account interest} + 2\%) \times 1/365 \times \text{transferred funds}$

2. A transfer is received after the deadline for settlement of transfers in favour of customers and the beneficiary Participant credits funds more than 1 (one) working day after the date of crediting of the Participant Settlement Account at Bank Indonesia

For example:

The Settlement Account of the beneficiary Participant at Bank Indonesia is credited at 16:45 hours on Monday, 25 February 2008, but the beneficiary Participant does not credit funds to the beneficiary customer account until Wednesday, 27 February 2008. In this case, the beneficiary customer is entitled to interest and compensation as follows:

$1 \text{ day} \times (\text{customer account interest} + 2\%) \times 1/365 \times \text{transferred funds}$